



COUNTY OF LOS ANGELES

FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE
LOS ANGELES, CALIFORNIA 90063-3294
(323) 881-2401

DARYL L. OSBY
FIRE CHIEF
FORESTER & FIRE WARDEN

July 30, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

AUTHORIZE THE CHIEF INFORMATION OFFICER TO EXECUTE A WORK ORDER WITH THE INTERNATIONAL BUSINESS MACHINES CORPORATION FOR PROFESSIONAL SERVICES TO IMPLEMENT MAXIMO ASSET MANAGEMENT SOFTWARE FOR FACILITIES MAINTENANCE (ALL DISTRICTS) (3 VOTES)

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ()
DISAPPROVE ()**

SUBJECT

The Consolidated Fire Protection District of Los Angeles County (District) is requesting authorization to execute a Work Order with International Business Machines (IBM) Corporation for professional services to implement the Maximo Asset Management (Maximo) software for facilities maintenance.

IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY:

1. Approve and direct the Chief Information Officer (CIO), at the request of the Fire Chief, to execute a Work Order for a maximum contract amount of \$398,409 under the County's Master Services Agreement (MSA) with IBM for professional services, to implement the Maximo software for facilities maintenance. The software will be used to support the management of the District's fire stations, fire camps, and administrative facilities. In accordance with IBM MSA guidelines, Board approval is required for Work Orders that exceed \$300,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

33 July 30, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

The District previously implemented the Maximo software to support the management of its fleet assets. The District established a goal of extending the use of the Maximo software to support the management of 200 District facilities, including the preventative maintenance of building operating systems. The current process used to track the maintenance of building operating systems, such as apparatus doors, plumbing, and HVAC units is performed manually and is not efficient. Scheduling routine maintenance is a manual procedure and occasionally the schedules contain errors or omissions which result in emergent repairs and otherwise preventable overtime.

After the first year of implementation, the District's goal is to have 90% of the facilities and assets inventoried. The second year after implementation, the goals are to have 100% of the facilities and assets inventoried, to establish preventive maintenance schedules for the 200 District facilities, to show reductions in emergent repairs and overtime, and to meet internal control program requirements.

This Work Order will provide the District with professional services to conduct the business process redesign, software configuration, development and presentation of training courses, data imports/exports, and reports. The estimated term for this Work Order and required services is 24 months from the date of commencement. The required hardware and base software to support this Work Order are currently installed and operational.

Implementation of Strategic Plan Goals

Approval of this recommended action is consistent with the principles of the Countywide Strategic Plan Goal #2: Fiscal Sustainability, to improve the County's long-term capacity to sustain critical County services within available resources through cost-efficiency savings, leveraging Information Technology (IT) resources, improved fiscal forecasting, and diligent monitoring. The recommended action supports the District's Strategic Plan.

FISCAL IMPACT/FINANCING

The Work Order will cost \$398,409. Additional one-time costs for ruggedized laptops, modems, air cards and installation services which are outside this Work Order are estimated to be \$350,000. Annual costs for software licenses and wireless access are estimated to be \$93,000. The District's Special Services Bureau Fiscal Year 2013-14 proposed budget include sufficient funding for these costs. There is no impact to net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In September 2006, your Board approved the County's MSA with IBM Corporation (contract #75869). In 2011, your Board extended the MSA until September 2013. The Agreement authorizes the CIO to execute Work Orders and changes to existing Work Orders, having a maximum sum of \$300,000. The recommended action is \$398,409 and exceeds the CIO's delegated authority.

The CIO concurs with the District's recommended action and the CIO Analysis is attached.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of this request will provide the District with IBM professional services. These are unique

The Honorable Board of Supervisors

7/30/2013

Page 3

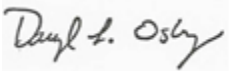
technical services from IBM, for products, such as the Maximo software. The services will be used to implement an efficient and accountable management of facilities and the assets within those facilities.

CONCLUSION

Upon approval by your Board, please electronically submit an adopted Statement of Proceedings to the following:

Consolidated Fire Protection District of Los Angeles County
Executive Office, Business Operations
Chief Deputy Ronald D. Watson
Ronald.Watson@fire.lacounty.gov

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Daryl L. Osby", is written over a light gray rectangular background.

DARYL L. OSBY
FIRE CHIEF, FORESTER & FIRE WARDEN

DLO:mw

Enclosures

c: Executive Office, Board of Supervisors
Chief Executive Office
Auditor-Controller
County Counsel



RICHARD SANCHEZ
CHIEF INFORMATION OFFICER

Office of the CIO
CIO Analysis

NUMBER:

CA 13-11

DATE:

7/2/2013

SUBJECT:

AUTHORIZE THE CHIEF INFORMATION OFFICER TO EXECUTE A WORK ORDER WITH IBM CORPORATION FOR PROFESSIONAL SERVICES TO IMPLEMENT MAXIMO ASSET MANAGEMENT SOFTWARE FOR FACILITIES MAINTENANCE

RECOMMENDATION:

☒ Approve

☐ Approve with Modification

☐ Disapprove

CONTRACT TYPE:

☐ New Contract

☐ Sole Source

☐ Amendment to Contract #: Enter contract #.

☒ Other: WO for IBM MSA #75869

CONTRACT COMPONENTS:

☐ Software

☐ Hardware

☐ Telecommunications

☒ Professional Services

SUMMARY:

Department Executive Sponsor: Deputy Chief Mark J. Bennett

Description: This Work Order for professional services will enable the Fire Department to implement IBM Maximo software for facilities management, in order to improve the efficiency and effectiveness of facilities maintenance functions.

Contract Amount: \$398,409

Funding Source: Department FY 13-14 Budget

☐ Legislative or Regulatory Mandate

☐ Subvened/Grant Funded: Enter %

**Strategic and
Business Analysis**

PROJECT GOALS AND OBJECTIVES:

The Department is seeking to improve the efficiency and effectiveness of its facilities management and maintenance function at its 200 department facilities, and to provide a safe, efficient, functional and compliant workplace.

BUSINESS DRIVERS:

Improve efficiency, reduce overtime and meet internal control program requirements.

PROJECT ORGANIZATION:

A project organization has been documented. The Project Sponsor is Deputy Chief Mark J. Bennett. The project team is made up of representatives from Fire Construction and Maintenance, Fire Information Management Division and IBM.

	<p>PERFORMANCE METRICS:</p> <p>After the first year of implementation, the Department's goal is to have 90% of the facilities and assets inventoried. The second year after implementation, the goals are to have 100% of the facilities and assets inventoried, establish preventive maintenance schedules for the 200 facilities, begin to show reductions in emergent repairs and overtime, and meet internal control program requirements.</p> <hr/> <p>STRATEGIC AND BUSINESS ALIGNMENT:</p> <p>The project is consistent with the principles of Countywide Strategic Plan Goal #2: Fiscal Sustainability. It has been identified in the Department's Strategic Plan and Business Automation Plan. It is consistent with the County's Strategic IT Directions.</p> <hr/> <p>PROJECT APPROACH:</p> <p>The project approach will be to configure IBM's Maximo Facilities Management software. The Project is estimated to take 25 weeks to implement. All milestones/deliverables are planned for completion before roll-out with the possible exception of the eCAPS interface, which is included in the project scope. This milestone will require negotiations with the Auditor-Controller and ISD and requires the Auditor's approval.</p> <hr/> <p>ALTERNATIVES ANALYZED:</p> <p>In 2010, two other options were evaluated: (1) In-house development; and (2) the Financial Accounting Management Information Systems (FAMIS), which was being used by ISD. In-house development was not pursued due to limited resources. FAMIS was not pursued because of concerns about the user interface and lack of vendor support.</p>
Technical Analysis	<p>ANALYSIS OF PROPOSED IT SOLUTION:</p> <p>The proposed IT solution is consistent with the County's IT Strategic Directions. It leverages the County's Master Services Agreement with IBM. It also leverages the Fire Department's current usage of Maximo for its fleet maintenance functions. Maximo Facilities Management software has also been implemented in several other County departments.</p>

Financial Analysis	<p>BUDGET:</p> <p>Contract costs</p> <p>One-time costs:</p> <p>Services \$ 398,409</p> <p>Sub-total Contract Costs: \$ 398,409</p> <p>Other County costs:</p> <p>One-time costs:</p> <p>Hardware \$ 350,000*</p> <p>County staff (existing) \$ 230,000**</p> <p>Sub-total one-time County costs: \$ 580,000</p> <p>Ongoing annual costs:</p> <p>Software \$ 93,000*</p> <p>County staff (existing) \$ 15,000**</p> <p>Sub-total ongoing County costs: \$ 108,000</p> <p>Total one-time costs: \$ 978,409</p> <p>Total ongoing annual costs: \$ 108,000</p> <p>* \$350,000 is for equipping 67 Fire Facilities Maintenance staff with ruggedized laptops for accessing the system and entering data from the field. Annual costs of \$93,000 are \$25,000 for wireless access and \$68,000 for Maximo software maintenance.</p> <p>**\$230,000 represents the estimated implementation level of effort for existing Fire personnel for the 25 week implementation, including 70% level of effort (LOE) for IT Project Manager, 50% LOE for IT Analyst, 70% LOE for User Project Manager and 30% LOE for 8-9 User Subject Matter Experts. Annual cost of \$15,000 represents estimated 15% LOE for a Senior IT Systems Analyst for ongoing system support.</p>
Risk Analysis	<p>RISK MITIGATION:</p> <ol style="list-style-type: none"> 1. The Contract Statement of Work specifies roles and responsibilities of the Contractor and Department in conducting the work. Both the Contractor and Department will have a Project Manager who will work together to manage the work effort. The Statement of Work also includes a Quality Assurance Plan to be utilized in managing the work. 2. The Chief Information Security Officer (CISO) has reviewed the Agreement/Amendment/Contract and did not identify any IT security or privacy related issues.

CIO Approval

PREPARED BY:



John Arnstein, Sr. Associate CIO

7-2-2013

Date

APPROVED:



Richard Sanchez, County CIO

7-2-13

Date

Please contact the Office of the CIO (213.253.5600 or info@cio.lacounty.gov) for questions concerning this CIO Analysis. This document is also available online at <http://ciolet.net.lacounty.gov/>